



P.O. Box 149263
Austin, TX 78714-9263

PRSRT STD
US POSTAGE & FEES PAID
US POSTAL SERVICE
PERMIT NO G-10

ELECTRONIC SERVICE REQUESTED

deliver
a magazine for marketers

**PERSONALIZE
YOUR
PITCH**

**BAN THE
BORING
B-TO-B**

**TARGET
NEW
AUDIENCES**

Hanging On to Old Ideas

Generally speaking, I don't have any issues with the idea of adhering to tradition. If a longtime process or strategy is still serving you well, there may be no need to change it. But during turbulent times that demand hard choices, what some in business see as honoring tradition really becomes little more than a thinly veiled excuse to cling to outdated ideas.

We're at just this kind of proverbial fork in the road in direct marketing these days. At the mouth of one pathway stand executives ready to take on some of the most daunting challenges of our times by seeking out new customers. They're integrating complex ideas, educating themselves about measurement and analytics and raising the stakes on creativity. At the other pathway are brands whose only reaction is to offer more of the same tired thinking that helped get them in trouble in the first place.

You don't want to fall into that latter group, so let this issue of *Deliver*® be your inspiration to take on the challenges ahead. You'll find stories about marketers who don't take "no" for an answer (Driving the Message Home, p. 12), those who are identifying new audiences for their products (Over the Rainbow, p. 16) and even a company that is determined to take a new approach to direct — by injecting some humor into the final product and the process (Humor Me, p. 20).

Believe me, when the turbulence that is rocking our world comes to a close — and it will — you're going to be much happier that you tried a new approach.

Cat Moriarty

Cat Moriarty, Editor



EDITORIAL STAFF

- Editor
Cat Moriarty
- Contributing Editor
Christopher Caggiano
- Creative Director
Laura Rogers
- Associate Creative Director
Celeste Hofley
- Art Production Manager
Joseph Ferraro
- Production Artist
Robin Coker
- Art Director
Grayson Cardinell
- Editorial Director
Dan Grantham
- Associate Editorial Director
Darrell Dawsey
- Copy Editor
Sheila Walsh Dettloff
- Production Manager
Lynn Sarosik

PUBLISHING STAFF

- Publisher
Jeremy Morris
- Account Director
Angelo Acord
- Group Account Manager
Adam H. Wilson
- Associate Publisher
Julie Preston
- Account Manager
Traci McDaniel
- Project Management Specialist
Mary Carlington
- Publication Coordinator
Katherine Avesian

Deliver® is published six times yearly by Campbell-Ewald Publishing, a division of Campbell-Ewald, 30400 Van Dyke, Warren, MI 48093-2316. Tel: 586.558.5249. Visit *Deliver* at delivermagazine.com, or send us an e-mail at delivermag@usps.com.

Subscription rates for the U.S.A.: \$3.95 per issue. Subscription requests should be sent to: *Deliver*, Subscription Center, 30400 Van Dyke, Warren, MI 48093-2316. If you prefer not to receive *Deliver*, please visit delivermagazine.com, select My Account and Unsubscribe.

Manuscripts and photographs are submitted at the sender's risk. Enclose a self-addressed, stamped envelope for return of material. Submission of material implies the right to edit and publish all or in part. © 2009 United States Postal Service. All rights reserved.™ Trademark of the United States Postal Service. Your information is protected by our privacy policies. See usps.com for details. Unless otherwise indicated, the Postal Service™ does not endorse any individual or company, nor any service or product not offered by the Postal Service.



FEATURES

- 12 **Driving the Message Home**
Car dealership Prime Motor Group launched a detailed personalization program that underscores the power of variable-data printing.
- 16 **Over the Rainbow**
Marketers are showing an increasingly sophisticated appreciation for gay and lesbian consumers. And they are being rewarded with loyalty.

- 20 **Humor Me**
Mlicki is knocking the stuffiness out of old-school B-to-B marketing. Its clients are laughing all the way to the bank.

- 26 **Enlighten & Engage**
As a growing number of Americans seek personal enlightenment, the brands that serve them are finding their own ways to shine.

16



20

DELIVERABLES

- 4 **Postings**
A study hails coupons; postcards fight tax cuts; cops battle thieves with letters; new kinds of paper.
- 6 **Leader Column**
What marketers can learn from the continued explosion of social networking.
- 7 **See Here**
Choosing to buy isn't always simple. We look at how mail can impact each stage of decision making.
- 8 **Demo Graphics**
Women sports fans have got game — and significant purchasing power, to boot.
- 9 **Outside the Box**
Engagement is a key battleground in 2009. Direct mail could be the best weapon you can wield.
- 10 **P.O.V.**
Author and executive Laura Ries tells why second-tier brands can't just follow the leader in a recession.

LAST WORD

- 30 **Back in the Box**
The Montgomery Ward catalog makes a return.



BODY PRINTED ON RECYCLED PAPER WITH 20% POSTCONSUMER WASTE



ON THE COVER: PHOTOGRAPH BY RYAN ROBINSON



“In a recession, some companies try to batten down the hatches and ride out the storm so that, when things turn around, they can go back to business as usual. Others look for fundamentally new ways of doing things that will help them thrive.”
— Jamey Polak, strategic account manager

deliverables

A BRIEF LOOK AT SOME BIG ISSUES IN DIRECT MAIL

NO DISCOUNTING COUPONS

New study shows that the time-honored promotion remains a solid marketing tool in tough times

Research Amid the worst recession in decades, we hardly need a survey to tell us that the majority of Americans are looking for bargains. But a recent study by Pitney Bowes turned up interesting findings about consumer attitudes toward promotional items in the digital age.

Chiefly, the survey found that more than three-quarters of consumers still prefer to receive their coupons in their mailbox. E-mail was consumers' second preference for coupon distribution, newspaper inserts third.

Also striking was response to promotional mailings. According to the study, a *DMNews* survey sponsored by Pitney Bowes, receiving information in the mail prompted 37 percent of consumers to purchase a new brand or patronize a new business, while 68 percent were prompted to renew a brand or business relationship. "This (survey) is more validation of the continued strength of direct mail and, specifically, coupons," says John Schloff, vice president of business development at Pitney Bowes Mailing Solutions.

Other findings: Respondents said their most important consideration for redeeming a coupon is the level of discount. Consumers expect at least a 10-percent discount from coupons mailed to them. And they are most likely to use coupons for grocery purchases and least likely to use them on furniture. — Samar Farah

More than three-quarters of consumers still prefer to receive their coupons in their mailbox.



PHOTOGRAPH BY GLENN K. CORBIS

Politics Get Personal

Personalization Eliminating state income tax may appeal to some, but when one Massachusetts political organization learned that their state was considering the idea, the group fought against it aggressively.

Coalition for Our Communities sent out oversized postcards to nearly 600,000 families, warning that cutting the tax would devastate their neighborhoods. The front displayed the recipient's name and town on street signs. On the back were details — specific to each of the 351 individual towns — on how the proposed reduction would shortchange schools, public safety and other local services.

"You have to know what you are losing personally" with a tax cut, says Harris Gruman, campaign director for Coalition for Our Communities. Gruman says using variable-data printing boosted the effort. "I think seeing their name pictured on the street sign grabbed a lot of people's attention," he says.

Visits to the coalition's Web site (vote-noquestion1.com) increased significantly after the mailing. Nearly 70 percent of voters opposed the measure. — Charlotte Huff



FIGHTING CRIME WITH MAIL

Targeting The Baltimore County Police Department is turning to personalized direct mail in its fight against crime. The department recently sent customized letters to owners of specific models of cars commonly targeted by auto thieves. The letters shared anti-theft reminders like keeping doors locked and parking in well-lit areas. The campaign resulted in a 38-percent reduction in thefts of those models. "The personalized letter certainly caught the owners' attention, and the results exceeded our expectations," says police spokesman Bill Toohey. The county plans future mailings that will target owners of other high-theft models. — Vicki Powers



Saving the Trees

Papers made from alternative products gain ground as eco-conscious marketers look for green solutions

Environment As marketers look to lessen the environmental impact of mail and other print pieces, one option that the direct marketing industry may be slowly warming to is the idea of paper without trees.

Indeed, there are enough tree-less paper alternatives to stock a shelf at your local office-supply superstore — paper made from hemp, bamboo, elephant dung, sugar cane, coffee grounds, bananas and other materials. A relative newcomer is TerraSkin, a type of paper that is made from stone powder and uses very little water in production, unlike regular pulp paper. Direct mail efforts using TerraSkin are garnering some notice, as New York-based Design & Source Productions recently agreed to help develop TerraSkin for wider use.

In the past, some, if not all, of these options might have been largely ignored by the marketing industry. However, consumers' desire for more eco-friendly campaigns has prompted brands to consider alternatives to tree pulp. "We've looked at so many applications and it's exciting to see so many ways to use it," says Nicole Smith, environmental director at Design & Source, of TerraSkin.

Still, cost and logistical issues have discouraged more popular uses of these paper products. For instance, the infrastructure to completely recycle TerraSkin is still being developed. But as calls for more eco-friendly marketing practices grow, so does the potential of wood alternatives.

For more about paper made from stone and how marketers are using it, check out "The New Stone Age" online at delivermagazine.com. — Samar Farah

What Direct Marketers Can Learn from Social Media

With the industry shifting beneath our feet, it's time for brands to start rethinking how they communicate to customers.



We hear a lot about the concept of Web 2.0 today, but I like to talk about something I call the concept of Marketing 2.0. In my mind, this concept is less about technology than it is about what I've termed "the 4 Cs": connectivity, communication, creativity and collaboration. It's also about how peer-to-peer networks are fundamentally transforming direct marketing as we know it.

How is this happening? Can we say there's also a Direct Marketing 2.0? And how do all these social media outlets influence how we go to market?

If you ask me, direct marketing seems — for lack of a better word — lonely. The practice is usually disconnected, isolated even, from other marketing methods. It's too often focused on efficiency — on getting cheaper or faster — without much consideration of anything else.

The direct channels barely have any semblance of conversation in them. Even when they do, the dialogue too often comes across as forced. This is why I strongly suggest that, as marketers, we reconsider the direct-marketing focus and start placing more emphasis on community, dialogue and partnership — the pillars of what's come to be known as "conversational marketing."

We will not be able to afford to stick to the old methods. Economic hardship is demanding that we produce more from less. As a result, we will need to embrace new ideas and deploy new approaches so we can arrive at new goals.

For example, we too often think about the process of winning over customers in oversimplified terms of action, reaction, exposure and conversion. We need to expand our perspectives to incorporate new outcomes — dialogue, dissent, discourse, debate — as precursors to that coveted sale. Like the Web, the direct mail channel provides marketers a

Economic hardship is demanding that we produce more from less. As a result, we'll need to embrace new ideas and deploy new approaches so we can arrive at new goals.

great opportunity to broaden the discourse with consumers.

We must also remember that, in these times, authenticity trumps "sex and sizzle." Cool Web sites and TV ads and beautifully designed direct mail pieces should serve a purpose and deliver value.

Further, we must accept that control has shifted from brand to customer. Trust and motivation are increasingly the currency of influencers and less the domain of the marketer. So it pays

to figure out ways to tap into the trust.

The rise of social media has lit a new path and opened up new options. Now, brands must shape their communications strategies to seize on these new opportunities.

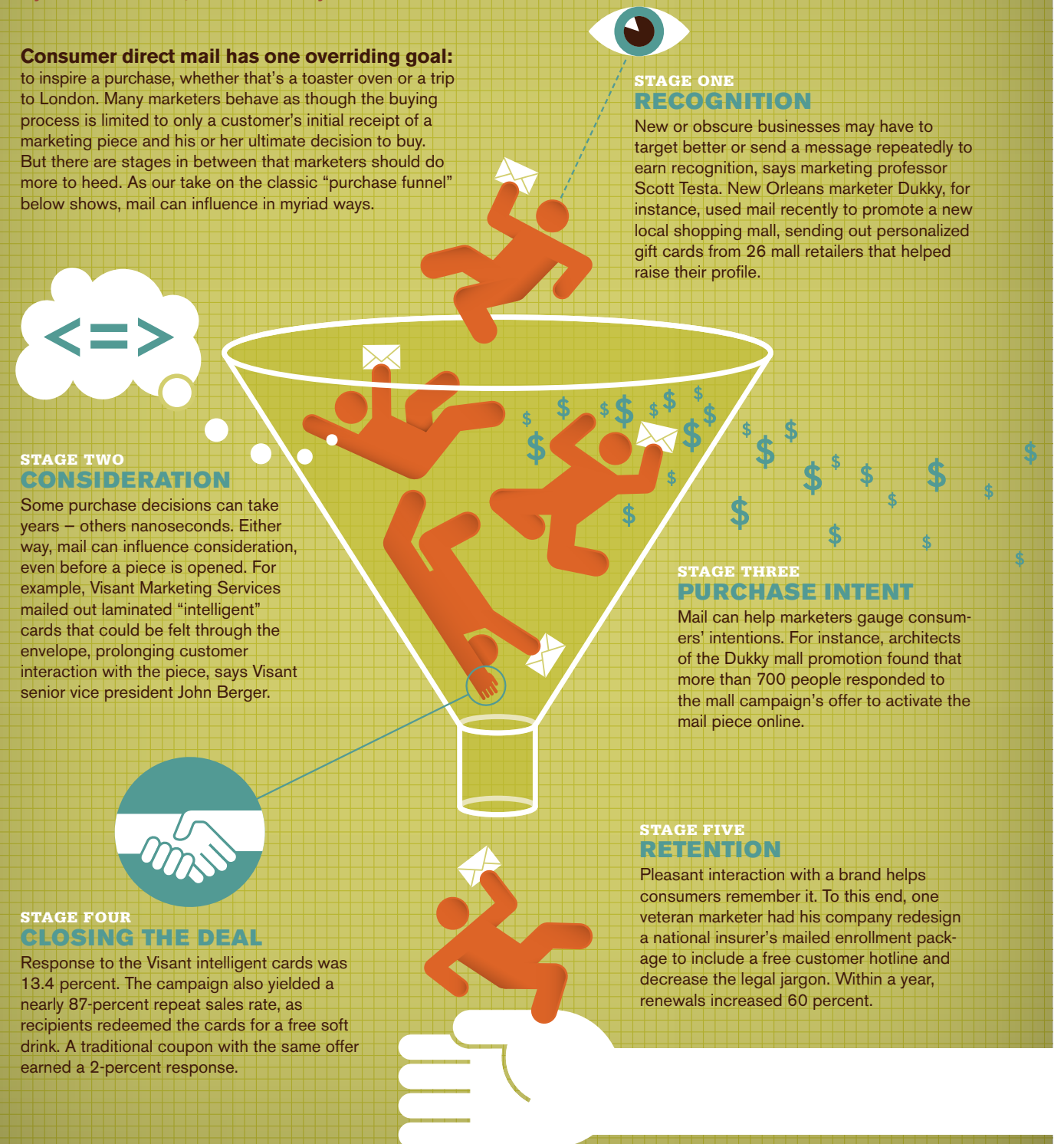
You don't have to embrace the phrase Direct Marketing 2.0. But in these daunting times, you'd darn well better understand — and get behind — the concept.

Direct Mail and the Purchase Funnel

How mail can influence purchases at all levels

By Charlotte Huff, Illustration by Jude Buffum

Consumer direct mail has one overriding goal: to inspire a purchase, whether that's a toaster oven or a trip to London. Many marketers behave as though the buying process is limited to only a customer's initial receipt of a marketing piece and his or her ultimate decision to buy. But there are stages in between that marketers should do more to heed. As our take on the classic "purchase funnel" below shows, mail can influence in myriad ways.



LAURA RIES



Steady on Shifting Ground

How second-tier brands can instill confidence even as the recession takes down industry leaders.

In times like these, it's difficult to give marketing advice to any brand, in any industry. And that task becomes even more difficult when we're talking about brands that are not the established leaders in their markets. After all, in a recession that is battering even the industry frontrunners, second-tier brands are especially vulnerable and need to think particularly hard about how keep customers.

Still, there are specific marketing strategies that second-tier brands need to consider as they try to stay upright amid the economic turbulence.

Obviously, one of the first priorities is to make sure that your brand is already as strong as possible. You should have a clear idea of who your customers are, how they perceive you and why they pay for your service or product. A deep understanding of how consumers view your brand allows you to develop approaches that emphasize what's good about those perceptions.

So if you haven't already, determine precisely what your brand represents in the mind of the consumer. Surveys, newsletters, dimensional mail, even the outside of envelopes — all offer an opportunity to initiate conversations with your customers about their perceptions of your brand and its value.

These days, you want to speak specifically to those with a need for or interest in your product or service. Use tools such as variable-data printing, social networking outlets and personalized URLs to keep messages personal and relevant. Doing so lets you emphasize what makes you different — and differentiation is vital to brands fighting to overtake an established competitor.

Finally, as unpleasant as it is to consider, you also need to make adjustments to new economic realities. Key to this adjustment is preparing for the likelihood of smaller returns, no matter how much you work to keep consumers. This may mean developing more cost-effective campaigns, investing more in measuring your efforts and figuring out better ways to deliver your messaging (such as allowing your coupons,



If there's any silver lining for marketers in this economic mess, it's that the recession gives brands an opportunity to refocus and rediscover what made them successful in the first place. Businesses are getting back to the messages that made them strong at the start.

letters, etc., to share envelope space with another brand's outgoing marketing offers).

But, above all, don't stop communicating with your customers. If you stop marketing, you're pretty much telling your customers that you have nothing to say to them and nothing to offer.

I know maintaining or upping your marketing spend may be easier said than done, especially for companies that don't have the comfort of knowing they are already out front in the race for revenue. I know too that the recession has beaten down some good brands and some great marketers, leaving them afraid to aggressively pursue some of the ideas I mention.

If there's any silver lining for marketers in this economic mess, it's that the recession gives brands an opportunity to refocus and rediscover what made them successful in the first place. Businesses are getting back to the messages that made them strong at the start.

If you're a second-tier brand, you may have to work harder, but you know you've got plenty of market share to capture.

Strong brands, even when they aren't the biggest, can often survive a recession, maintain their marketing messages and keep a focused eye on the companies above them. Do these well, and your brand may soon be enjoying the view from the top.

Laura Ries is the co-founder of Ries & Ries, and the author of numerous books, including War in the Boardroom (2009).

PHOTOGRAPH BY GLENN KATZ / ILLUSTRATION: JAMES YANG / CORBIS



LOOKING FOR A MARKETING IDEA THAT STICKS?
FIND LOADS OF GREAT STRATEGIES FOR MAKING
YOUR MARKETING MEMORABLE AT OUR WEB SITE.

WWW.DELIVERMAGAZINE.COM

driving the message home

Customized mailings help a
New England car dealership
nudge sales higher. ■

When customers walk into a Prime Motor Group auto dealership to check out its vehicles, they may not drive off with a new car — but they haven't heard the last of the dealership's pitch either.

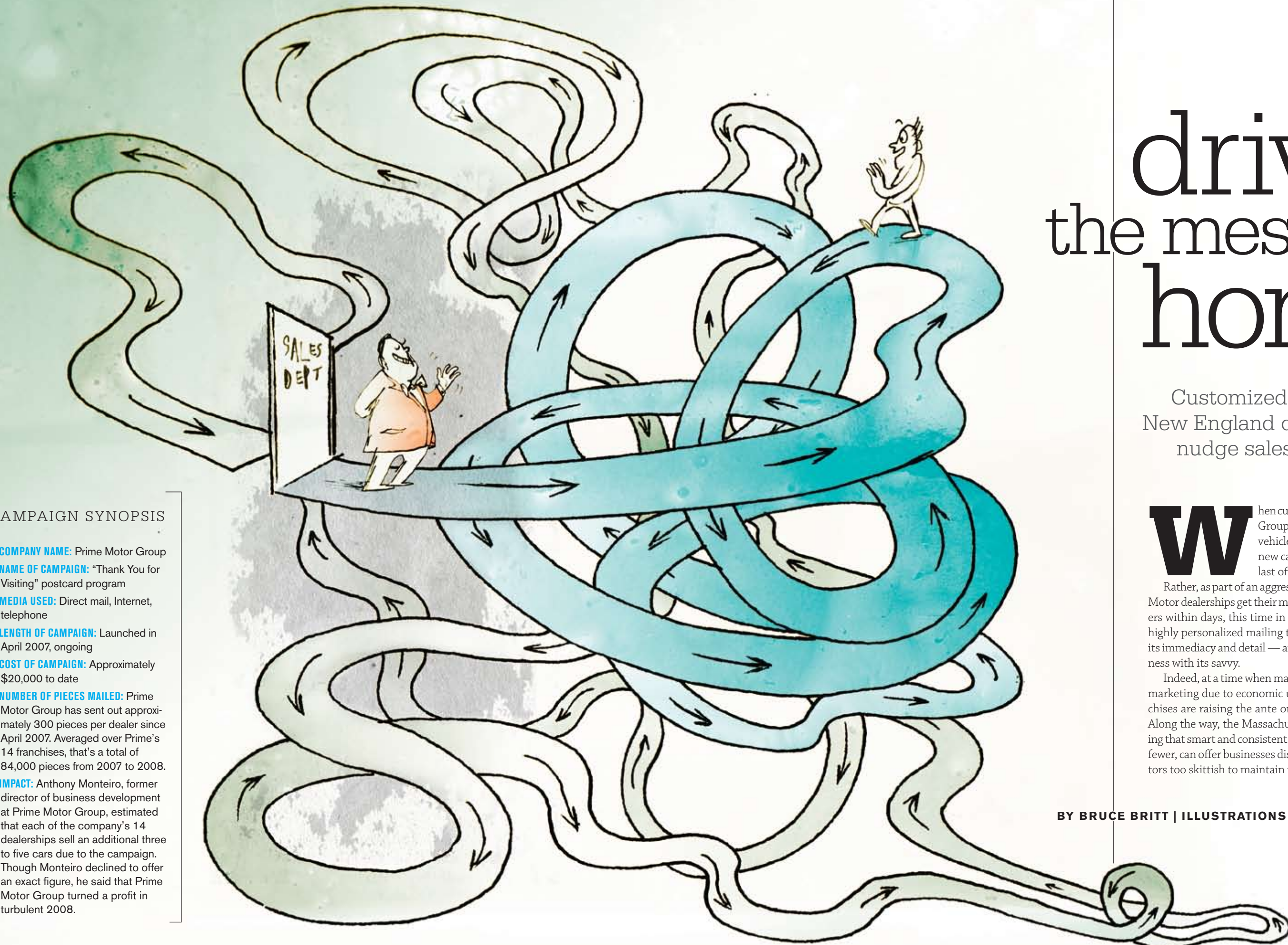
Rather, as part of an aggressive follow-up campaign, Prime Motor dealerships get their messages back in front of customers within days, this time in the form of a cutting-edge and highly personalized mailing that is winning rave reviews for its immediacy and detail — and winning the dealership business with its savvy.

Indeed, at a time when many companies are slashing their marketing due to economic uncertainty, Prime Motor franchises are raising the ante on their direct mail investment. Along the way, the Massachusetts dealership group is proving that smart and consistent customer communications, not fewer, can offer businesses distinct advantages over competitors too skittish to maintain vigorous marketing efforts.

BY BRUCE BRITT | ILLUSTRATIONS BY SIMON SPILSBURY

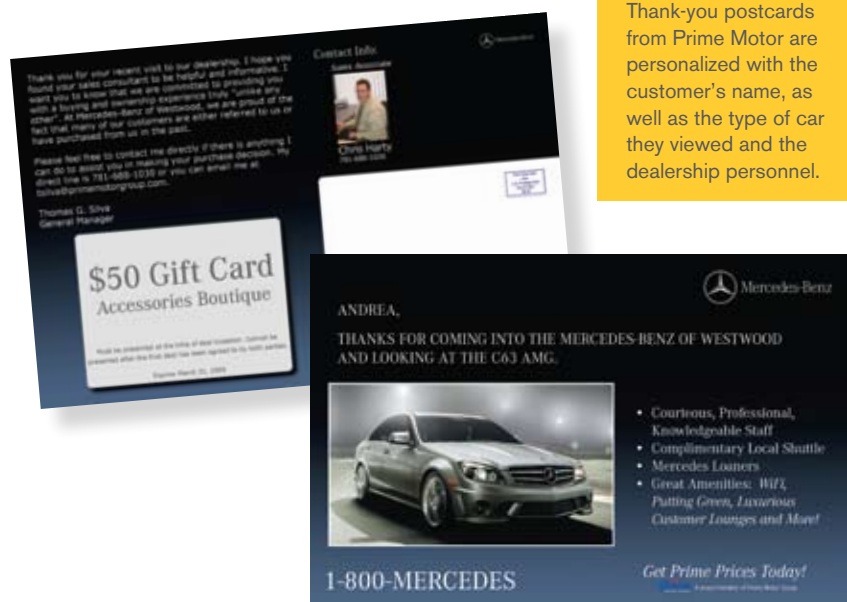
CAMPAIGN SYNOPSIS

- **COMPANY NAME:** Prime Motor Group
- **NAME OF CAMPAIGN:** "Thank You for Visiting" postcard program
- **MEDIA USED:** Direct mail, Internet, telephone
- **LENGTH OF CAMPAIGN:** Launched in April 2007, ongoing
- **COST OF CAMPAIGN:** Approximately \$20,000 to date
- **NUMBER OF PIECES MAILED:** Prime Motor Group has sent out approximately 300 pieces per dealer since April 2007. Averaged over Prime's 14 franchises, that's a total of 84,000 pieces from 2007 to 2008.
- **IMPACT:** Anthony Monteiro, former director of business development at Prime Motor Group, estimated that each of the company's 14 dealerships sell an additional three to five cars due to the campaign. Though Monteiro declined to offer an exact figure, he said that Prime Motor Group turned a profit in turbulent 2008.





GET PERSONAL:
Thank-you postcards from Prime Motor are personalized with the customer's name, as well as the type of car they viewed and the dealership personnel.



Dubbed the “Thank You for Visiting” campaign, the Prime Motor effort centers on a 5 ½-by-8-inch postcard that the franchise mails to prospective customers within days of their visit to one of the import dealership’s showrooms or its Web site. Made of heavy, high-gloss stock, the card naturally features the prospect’s name, a minimum for customized mailings. But in an even deeper dive into the personalization pool, the card also provides the names, contact information and photos of the specific salesperson who pitched the prospect and of the sales manager who assisted. Further, the card includes a photo of the exact model, color included, that the mail recipient test drove (or showed interest in online) and a savings coupons for that particular auto.

The card bears a message from a Prime Motor Group general manager: “Thank you for your recent visit to our dealership. I hope you found your sales consultant to be helpful and informative. I want you to know that we are committed to providing you with a buying and ownership experience truly ‘like no other.’” The message concludes with direct contact info and an invitation for the customer to call or e-mail with any questions, comments or suggestions.

When the franchise implemented the campaign, the idea was to make deeper inroads into the finicky Boston luxury car market and to reinforce brand perception of Prime Motor as an industry leader. “We’re trying to give that customer some enticement to return to the dealership and make a purchase,” says Anthony Monteiro, former director of business development at Prime Motor Group and the brains behind the “Thank You” campaign. “It’s absolutely an attempt to establish a relationship and trust, but it’s also an attempt to wow the customer, to receive this postcard and basically run in the house and say, ‘Holy mackerel! Look at this!’”

Since the launch, Prime Motor Group has sent out an average of 300 postcards a month — about 7,200 since the roll-out. “Thank You for Visiting” cards have gone out to potential car buyers throughout the Prime Motor Group family of franchises, which specializes in several high-end import models.

Monteiro reports that response to the campaign has been positive, with all 14 Prime franchises averaging about three to five postcard-generated sales per month. To track the effectiveness of the campaign, salespeople enter coupon information into Prime’s online CRM tool whenever a customer comes in to redeem the offer.

“We also get anecdotal feedback from the guys on the showroom floor saying, ‘There’s this guy we’ve been trying to reach for a week, and the next thing he shows up with this postcard,’” says Monteiro. “Or we get customers saying [of the mailing], ‘How do you do that?’ They’re fairly impressed.”

The new system has allowed Prime to save on its overall media expense by cutting back on newspaper advertising. “We believe in keeping existing customers and going after customers through electronic media and direct mail,” says Monteiro. It’s shooting fish in a barrel, versus throwing a big net out there and hoping somebody picks your ad up.”

Monteiro admits that Prime Motor Group had been giving short shrift to the mail channel the past few years despite the medium’s reliability and effectiveness. “Ten years ago, we would use direct mail for everything,” he recalls. “Then the Internet came along, and you could blow 50,000 e-mails out there and pretty much accomplish the same thing. Well, in the past five to seven years, our e-mail campaigns became ineffective because a lot of the e-mails were hitting spam filters.

“So I said ‘Let’s do some postcards,’” he continues. “When you get a postcard, you have to hold it in your hand and make a decision. Typically people put them aside if they think it’s something they can use. That’s where we found that postcards are so effective.”

As part of the campaign development, Monteiro and AmazingMail.com collaborated to create an information matrix that included a variety of interchangeable demographic components. The system can generate personalized postcards within hours of a customer’s showroom visit or Internet inquiry.

“When you get a postcard, you have to hold it in your hand and make a decision. Typically people put them aside if they think it’s something they can use. That’s where we found that postcards are so effective.”

—Anthony Monteiro

Now when a customer comes in to inquire about a purchase, Prime is ready with sales information and a follow-up pitch. So if the customer tests out, say, a six-cylinder, four-door Japanese luxury sedan, but decides not to buy it, Prime’s system goes into action. Hours after the visit, AmazingMail.com gets a feed of the potential buyer’s name, the model he or she looked at and the identity of the salesperson and sales manager who spoke with the prospect. The system will pull an image of a car and put it on the front of the card, and on the back include all of the information specific to that particular customer’s profile and preferences. Within three days, the customer will receive that postcard in the mail, with an offer specific to that particular car.

For Monteiro, the ongoing postcard campaign has driven home the importance of promptness in seizing on chances for follow-up dialogue with prospects. “These days, when you talk to anybody at marketing seminars, you hear that the message has to be timely and relevant,” Monteiro says. “Being able to accomplish that with a postcard was a home run. It’s been one of our cheapest and most effective ways to bring customers back into the store.”

GET SMART

smart USA uses an integrated marketing push to thank customers and build brand loyalty



In business, as in love, sometimes you’ve got to be thankful — and be willing to show it. And, as anyone with any romantic experience will attest, when it comes to displaying affection, cards and gifts beat e-mail every time.

So when upstart car manufacturer smart USA sought to show its appreciation to some patient customers, the company did so with direct mail shipments packed with just enough goodies to ensure it could win their hearts.

Having already taken Europe by storm, smart USA (intentionally spelled with the distinctive lowercase “s”) announced in 2006 that its line of micro-cars would finally be available in the United States. The problem was that smart had almost no stateside corporate infrastructure in place. “At the time, we only had a Web site and a call center set up,” says smart USA director of communications Ken Kettenbeil. “We didn’t have a whole lot of information other than that the car was coming, and some general ideas on price points.”

This meant that fans of the vehicle needed to wait, something enthusiasts of any stripe are notoriously bad at. To reward its patient and loyal early adopters, smart USA mailed “smart USA Emergency Kits” to buyers, who started taking delivery in 2008. Equal parts marketing ploy and gesture of affection, the kits feature a thank-you

letter and three \$5 gift cards for purchases at nationally known gas, book and coffee retailers.

“The Emergency Kit was a way for us to thank the customers for staying behind us and being such huge advocates for the brand,” says Kettenbeil.

The first “emergency kits” were shipped last March. The company sold almost 25,000 cars its inaugural year, with kits being sent to every customer, for a total campaign cost of \$492,440. Kettenbeil says it was more than worth the expense. “We have received a lot of positive (consumer) e-mails forwarded from our dealers. We’re getting people thanking us for sending them a thank-you gift.”

The campaign continues to this day. And so does smart USA’s faith in its overall direct-to-consumer approach. The company communicates with its customers almost exclusively through direct mail, its corporate Web site and monthly e-newsletter. A smart-hosted social networking site, smartUSAIinsider.com, allows buyers to share passionate online exchanges.

“We’re still not doing any traditional advertising, because the car is so different,” says Kettenbeil. Mail has more tactile power than any other medium, he notes — and when you’re looking to thank someone, touching and being touched can be essential.



Over the Rainbow

New, more sophisticated efforts show a growing respect for the gay and lesbian audience — and its buying power.

By Anne Stuart | Illustrations by Nomoco

With sales down and its product line not generating the excitement it once did, car maker Saturn decided that it needed to overhaul not only its cars, but also its marketing focus. Even as the company dedicated itself to a “product renaissance” starting in 2006, it was also looking to make a bigger splash as a major marketer, seeking out new audiences that would show loyalty to the brand and evangelize on its behalf.

It didn’t take long before the automaker realized that the buying attitudes and behavior it was seeking abounded in at least one audience that also seemed heavily drawn to Saturn’s new line: the gay, lesbian, bisexual and transgender (GLBT) community. “We’d dabbled in working with this demographic group for a couple of years, and

we had more and more [GLBT] customers coming into the showrooms,” explains Ross Bird, who was an assistant divisional marketing manager for Saturn during the lineup overhaul. “From a finance standpoint, they tended to be good customers with good credit. More important, they seemed like a loyal group of customers. Once you sold them, they’d come back — and they’d bring friends.”

In overseeing Saturn’s integrated push to communicate with GLBT consumers — an effort that blended direct mail with event planning and other marketing outlets — Bird also witnessed firsthand what an increasing number of big-brand marketers now realize: namely, that the GLBT community is a consumer force that cannot be denied.

While it’s still a niche market — researchers estimate that the

GLBT audience represents about 6 to 7 percent of the total U.S. adult population, or about 15.3 million adults — it’s a particularly influential one, with gay men and lesbians in particular wielding enviable buying power. Overall, market projections suggest that this adds up to \$712 billion in annual purchasing power.

And those numbers have never been more important than they are right now. “As a community, we seem to be a little more immune to the economic downturn,” notes David Posegay, advertising director for the magazines *Out* and *The Advocate*. “It may be because so many of us are professionals with dual incomes and no children.”

For all those reasons, dozens of industries — from automakers to airlines, credit cards to cruise companies, banks to breweries and

“There have been several times when our GLBT customers’ loyalty made a positive difference in our business.” — Betty Young, American Airlines director of Diverse Segment Marketing

beyond — are trying to tap into this lucrative market. As they do, they are realizing that it takes more than showing a same-sex couple in ads or pasting a rainbow flag, the unofficial banner of the GLBT community, on a mail sample. “The (companies) that communicate to GLBTs authentically are being rewarded with market share,” says Andy Bagnall, vice president and account director for Prime Access, a New York City-based multicultural advertising agency that has run many GLBT campaigns.

Saturn’s Story

Saturn was determined to be one of those companies. A while back, the automaker partnered with Atlanta-based Gaywheels.com, a gay-friendly car information site, to participate in the Atlanta Pride Festival and Orlando’s Gay Days.* Spread out over several days, each festival attracted thousands of attendees from the South-east and beyond.

At both, Saturn sponsored parade floats and pool parties, handed out T-shirts with the slogan “Does your ride reflect your pride?” and took hundreds of pictures, which attendees could later order in commemorative frames via Gaywheels.com.

Festival-goers could also visit Saturn’s tents to check out the new models — and fill out survey cards indicating their interest in learning more about them. Marketers sent the cards to Saturn dealers in attendees’ hometowns, and those dealers followed up with custom-ized mailed invitations to visit.

The effort generated an uptick in car sales, but more important, it proved that Saturn could influence brand perception among a coveted group of buyers. “The overwhelming conclusion was that it was a huge success in terms of connecting with that group in a non-traditional way and changing its perception of the brand,” says Bird, now a regional GM distribution manager. “We heard comments like, ‘We never considered Saturn before, but now you’re on our list.’”

Bird also gives credit to Saturn’s partnership with Gaywheels.com and its founder, Joe LaMuraglia, who connected the automaker with festival organizers, designed an integrated ad campaign and promoted Saturn’s activities on the Web site before and after the events. “He opened a lot of doors for us, giving us instant credibility with this audience,” recalls Bird.

LaMuraglia says it’s impossible to overestimate the importance of that credibility. “You’re dealing with very savvy consumers,” he says of the GLBT community. “If you do it without any thought, if you do it wrong, it’s going to backfire on you.”

Tying It All Together

Not unlike Saturn, other major brands have crafted engaging marketing campaigns directed at GLBT consumers. For instance, American Airlines — long recognized as a GLBT marketing pioneer — also uses a multifaceted approach. “Doing just one thing is not as likely to make a big impact,” says Betty Young, American Airlines director of Diverse Segment Marketing, which, in part, targets GLBT business and leisure travelers. “It’s the whole package that you need to look at.” American promotes its GLBT-friendly approach with a variety of methods, including print ads depicting vacationing same-sex couples, a monthly e-mail newsletter that

includes GLBT news, a lively Facebook presence and an extensive national calendar of GLBT events. In addition, Young says, the company creates flyers that “ride along” with direct mail promotions sent out by the airline’s partners. One recent mail piece offered discounted fares for women flying from their hometowns to a lesbian cruise company’s port of departure.

The payoff for all those efforts, marketers say: extreme brand loyalty. “This work reflects our values as a company, but it makes good business sense as well,” says Young. “I’ve received many letters complimenting American Airlines on our service and policies. There have been several times when our GLBT customers’ loyalty made a positive difference in our business.” That kind of following, Young says, reflects the bottom-line message that GLBT consumers have for any brand hoping to woo this audience: “If you support us, we will support you.”

GLBT MARKETING DOS AND DON'TS

DO tailor the message to fit the recipients. Recycling a mailing originally intended for a heterosexual audience — one depicting a man and woman together — won’t resonate with same-sex couples. “Running general-market promotions in our space is a bigger detriment than not advertising at all,” says Dawn Meifert of the MergeMedia Group in Dallas.

DON'T just talk about equality. Your brand will win more loyalty in this market if your company is known for supporting its GLBT employees. Both GM and American Airlines, for example, offer same-sex domestic partner benefits that helped them earn top scores from the Human Rights Campaign’s Corporate Equality Index, which ranks employers’ policies and practices.

DO remain sensitive to potentially offensive phrases. “People use ‘sexual preference’ and ‘sexual orientation’ interchangeably,” says Steve Kauffman of Domani Communications. “The gay and lesbian community looks at it as something that we are, not something that we chose.” Using “preference” shows you’re not as connected to the community as you should be.

DONT be afraid of complexity. “GLBT consumers have gotten much more sophisticated, and we expect greater depth and breadth of content,” says Andy Bagnall of Prime Access, a multicultural advertising agency. “GLBTs are interested in three-dimensional portrayals of themselves, not a one-dimensional view of what someone thinks it means to be a gay man or a lesbian.”

* Gay Days® is the registered trademark of Gay Days Inc., www.gaydays.com. Used with permission.



Humor Me

B-to-B marketing doesn't have to be stuffy. In fact, as Mlicki often proves, the best efforts are sometimes those that produce a smile.

By Phaedra Hise
Photograph by Derek Blagg

Business-to-business campaigns are sometimes accused of taking themselves too seriously in their marketing pieces, pontificating about mission statements, intoning about the extraordinariness of product features or congratulating themselves for winning largely obscure industry awards.

Jason Mlicki just wants them to lighten up.

President of the eponymous Mlicki, the marketing veteran and his shop have garnered a well-deserved reputation for creating whimsical, sometimes edgy direct marketing campaigns that knock the stuffiness out of B-to-B traditionalism. Campaigns for its clients and itself are as unpredictable as they are effective, the pieces leveraging everything from nostalgic touchstones like a vintage toy

KEEP IT LIGHT: Jason Mlicki (standing) and his staff are on a campaign to knock the stuffiness out of B-to-B marketing.

CAMPAIGN SYNOPSIS

- **COMPANY NAME:** Mlicki
- **NAME OF CAMPAIGN:** What's a Mlicki?
- **MEDIA USED:** Print, interactive, direct mail
- **LENGTH OF CAMPAIGN:** Three weeks
- **COST OF CAMPAIGN:** Excluding creative, about \$4,500 (they do creative in-house)
- **NUMBER OF PIECES MAILED:** 350
- **IMPACT:** Jason Mlicki's goal was to procure top-level meetings for the company, and it got three. Two became clients, and the proceeds from those jobs covered the cost of the campaign.

picture viewer to startling imagery of circus clowns to old-school, fuzzy rearview mirror dice. “If you put something creative and dimensional on the desk, prospects are more likely to want to hear what you have to say,” says Jason, whose father, Ron, founded the company in Ohio in 1972.

And while the company utilizes a range of channels for its quirky campaigns, Jason says direct mail is the medium his company regards as most effective. “With advertising, you blast everyone under the sun,” he contends. “But if you do direct mail right, you know it’s going to get opened by the decision maker.”

At a time when businesses can ill afford to squander marketing dollars, Jason says his staff emphasizes laser-like focus in campaigns, and crafts each to ensure maximum relevance and appeal to recipients. He says dimensional mail has been one of the company’s most effective tools in this effort.

“Dimensional pieces work well,” he says. “A gatekeeper will throw away half the mail that comes into a corporation — but not a big box.” The outsized and awkwardly shaped packages, he says, almost always wind up getting past the assistants and aides and onto the desk of the intended target. Furthermore, many recipients hold on to posters, booklets and trinkets as mementos, even after the campaign has ended. Mlicki also tries to use the package itself as art, employing translucent envelopes, oversized flat pieces, bright colors and a focus on “clean simplicity” in the design.

When deciding on specific dimensional pieces, the Mlicki creative team eschews “expected” tchotchkes like mugs, letter openers and mouse pads. Instead, they rely on toys, art and humor to make mailers stand out. “Business-to-business mail is usually so stale and straightforward,” Jason says. “I get so much here myself, and nobody seems to think I have a sense of humor.” A common mistake clients make is to assume that B-to-B mailers have to be more serious than consumer campaigns, Jason points out: “But your customer is still a consumer; they don’t disconnect from media and society at 8 a.m. on Monday.”

Jason realizes that dimensional pieces can sometimes be costly, so to increase affordability, Mlicki usually sends out small, highly targeted mailings of 800 or fewer pieces about 10 times a year. Because of the relatively small number of mailings, the company can afford to spend as much as \$10 to \$15 on each unit, including the actual production costs for the more complicated pieces. Jason chalks this up as the cost of doing business for B-to-B marketers. “If you’re trying to get a meeting with a CEO, you’re not going to do it with a black-and-white flyer off your inkjet,” he says.

Jason says his company takes time to explain to customers that the expense

WHEN MAIL MEANS BUSINESS

Jason Mlicki tells us what he tells clients when educating them about direct mail

When B-to-B clients meet a few of the following criteria, then we know that direct mail is going to be their best marketing vehicle:

Something intangible: Some products or services are so complicated or multi-part that they’re hard to articulate in a quick pitch. A mailer can spell it out.

Multi-year contracts: Lengthy contracts require a lot of hand-holding to sell, which makes them perfect for the personalized approach of direct mail.

Long sales cycle: Direct mail is a low-key way to keep companies in touch with prospects during a long sales cycle.

Hard-to-reach customers: Print ads are seen by a fraction of a niche target audience. Direct mail can go directly to the decision makers.

Large-ticket items: Direct mail helps prospects establish a high comfort level before making a big purchase.



NOT CLOWNING AROUND: Using edgy design and bright colors, the firm found a unique way to promote its own work.

NOW SEE HERE: For its B-to-B campaigns, the firm bypasses the usual tchotchkes in favor of toys, such as this picture viewer.



COUPON KEEPER: A Mlicki piece for a shopping complex put a creative twist on the usual coupon book sent to shoppers.



“Business-to-business mail is usually so stale and straightforward. I get so much here myself, and nobody seems to think I have a sense of humor.”

— Jason Mlicki, president, Mlicki

often pays for itself, since even a single contract won by the direct mail pieces can offset their costs. By way of example, he references a mail his company sent out recently on behalf of a client that sells top-of-the-line lab equipment. “It’s a five-figure product,” he says. “You’re not going to sell it with a ‘5-percent discount’ offer mailer.”

Instead, Mlicki crafted a campaign that emphasized the equipment’s ease of use. The company created a tongue-in-cheek, single-page guide that offered a fictional “one click” solution to minor quotidian annoyances like caring for the family dog and gassing up the car. Each task was illustrated as a foldout cartoon and showed a finger “clicking” the image. A second image showed the task instantly completed. The back of the 8-by-10-inch mailer showcased the client’s “one click” piece of lab equipment. “The lab workers called to get more copies of the piece. They loved it,” Jason says of the mailing’s response. “[With] something like that on the wall, they’ll remember you when it’s time to make a purchasing decision.”

Mlicki also recently spearheaded a branding campaign on behalf of an integrated retail credit and marketing company. For this one, Mlicki



AW SHUCKS: A self-promotional piece touted the group's expertise with a note that they offer "answers, not hifalutin ultimatums."

FIT TO A 'T': Dimensional mail, like this box, helps get Mlicki's work past the gatekeepers and into the hands of the decision maker.



ONE-CLICK SOLUTION: A brochure for a lab equipment maker was so popular, recipients asked for more samples to post on their walls.



"Your customer is still a consumer; they don't disconnect from media and society at 8 a.m. on Monday."

— Jason Mlicki, president, Mlicki

mailed boxes containing large red dice strung to a mock rearview mirror, which featured the words "No time to look back" across it. Below the mirror was information about how the company could help clients. The package was also accompanied by a branded publication that identified 100 fast-growing retailers.

DOING IT THEMSELVES

Such engaging direct mail pieces were exactly what Ron Mlicki envisioned nearly 37 years ago when he launched the company. Jason says his father dreamed of offering great design to help build unique brands, and constructed the 10-person company to reflect this goal. Ten years ago, Jason joined the firm and began focusing on brand strategy and interactive media. (Ron no longer works in the day-to-day operations.)

Given the company's philosophical roots, it's little wonder that some other memorable campaigns haven't been for outside clients, but rather for itself. Not long ago, for instance, it began introducing the firm to prospects with a cute multimedia campaign called "What's a Mlicki?"

The campaign identified particular business personality types and represented each with a friendly little monster. To top it off, Mlicki mailed out children's toy picture viewers to contacts, with each device containing a picture disk that featured the monster avatars. The campaign also directed recipients to

the company Web site, where they could find interactive information about the monsters, their habits and their diets. The thrust of the campaign was to let potential clients know that, no matter their business or their aims, Mlicki could tailor marketing to meet their needs.

"About half of the prospects loved it and went to the Web site," Jason says. The firm won two contracts and landed a meeting with a high-value prospect as a result of the campaign. "Our goal for direct mail is to get to the next meeting, the next presentation," he continues. "This got us a meeting with the largest company in Ohio." Meanwhile, the two projects the company won covered the cost of the mailer. "And seven months later, I was still seeing the picture viewers on desks."

COST-EFFECTIVE REBRANDING

Last year, Eric Ralph decided to rebrand the annual awards ceremony held by the Columbus, Ohio, chapter of the American Marketing Association.

"We chose Mlicki because they understood that we wanted actual results, not just pretty pictures. They delivered both."

Mlicki created a three-stage mailing campaign for the organization to send to



RED HOT: A set of fuzzy dice, and a rearview mirror to hang them from, helped get attention for a retail credit and marketing client.

TAKE YOUR ORDER? A leasing company found an innovative way to put its message into the hands of its target audience — literally.



marketing and advertising businesses in the area. The three oversized postcards were printed on heavy cardstock in four-color on front and back to create a yellowed, aged parchment feel. The woodblock-looking artwork was inspired by old phrenology journals from the 1800s. Illustrations showed cross-sections of a person's brain, segmented off into different "marketology" topics like product, placement and point of sale.

The old-fashioned feel helped emphasize the organization's 58 years in existence. And the theme reinforced the fact that the awards were being given for marketing strategy and results, not just design.

There were three goals for the campaign, Ralph explains. First, to increase the number and quality of entries into the awards contest. Second, to drive actual attendance at the May ceremony. And third, to give a sustainable look and feel to the event. "Previously we rebranded every year," he says. "We were struggling for an identity."

Also important was to build general awareness of the event, Ralph says. "Nobody wants to win an awards ceremony that no one's ever heard of."

Direct mail seemed the obvious solution. "We have advertised in the past, but I'm not sure we get much return," Ralph says. "There are so many other events listed. It just doesn't seem to get the attention that direct mail does for us."

Ralph sent out his usual 3,000 pieces, and was impressed with the results. "It broke records for us in terms of both number of entrants and number of attendees to the event." The campaign also drove a large increase in the organization's Web site hits. Ralph based the event's program and other ancillary

materials on the direct mail pieces, and says that the keynote speaker even praised the materials from the stage.

"Our survey results coming out of the event were record breaking in terms of satisfaction," he says. "It definitely helped to have a united look and feel." Ralph doesn't remember exactly how much the campaign cost, but says that for the first time in three years the awards ceremony was profitable. "Whatever it cost," he says, "it was worth it."

Jason Mlicki has no doubts that the campaign made an impact. He doesn't diminish the value of other media, but he stresses to clients that direct mail can engage unlike any other channel, and engagement is key to winning customers. "Direct mail can facilitate you down that path," Jason says. "And the return on that can be astronomical." **d**

DIRECT MAIL COURTESY MLICKI



The holistic wellness industry is worth hundreds of millions of dollars. But how do you promote goods and services to consumers looking for something more?

Enlighten & Engage

BY NATALIE ENGLER | PHOTOGRAPH BY RYAN ROBINSON

When Tami Simon started Sounds True more than two decades ago, she was mainly looking for a way to share with others recordings she'd made that reflected her passion for spiritual wisdom. Nearly 25 years later, she's part of a cresting wave of interest in spiritual and personal growth that has become a marketing bonanza for a growing number of brands.

Known formally as the "lifestyles of health and sustainability" (LOHAS) market, the industry focuses primarily on good health and eco-consciousness, but also includes meditation, yoga, holistic wellness and other practices that emphasize spiritual and emotional well-being. For marketers in the United States, it is shaping up to become big business, driving sales of everything from yoga mats to Buddhist-themed tea sets to magazines like *Ode* and *Yoga Journal*. According to a 2006 study by the Natural Marketing Institute (NMI), the segment was worth an estimated \$209 billion domestically in 2005 — equal to the value of the aerospace industry and slightly more than the food services industry. Moreover, LOHAS industry forecasts suggest the value of the market could surge even higher over the next three years.

Says Simon: "When I started Sounds True, my goal was to continue my own education and distribute as widely as possible the teachings and spiritual methods that had been helpful to me. I knew there would be an audience because there's always been an audience for wisdom teachings. But I assumed it would

CAMPAIGN SYNOPSIS

- **BRAND:** *Ode* Magazine
- **NAME OF CAMPAIGN:** "Could You Use Some Good News?"
- **PROPERTIES:** four-color, 16-page magalog
- **MEDIA USED:** Direct mail
- **LENGTH OF CAMPAIGN:** Launched in 2008, ongoing
- **NUMBER OF PIECES MAILED:** 2.75 million
- **IMPACT:** June Sargent, vice president consumer marketing and partnerships, says that the campaign helped to double *Ode's* circulation to 150,000.

be a small niche. I never thought people would be shopping for Sounds True titles in grocery stores.”

But the niche has blossomed, with more big brands looking to seize opportunities in the LOHAS market and offer value to consumers seeking something more than material possessions, says Gwynne Rogers, LOHAS business director for NMI, a consulting firm. In 2009, she says, people are looking for balance (be it in nutrition, budgets or lifestyles) and mindfulness (via self-help books, yoga practice and eco-tourism). “What’s more apparent than ever is a need to find ways to sustain ourselves, our minds, our energy, our planet and our society,” says Rogers. “Brands that speak to that now are going to be appealing to consumers.”

Still, how do you sell services and products to consumers seeking simplicity and inner wellness? And just as compelling, how does a marketer determine the best strategies to employ in a market that is still evolving in new and different ways? LOHAS marketers who have proven successful say the approaches vary, but all seem to favor an integrated strategy for reaching their consumers, making appeals through publications, Web sites, retail outlets and direct mail catalogs.

Catalog Success

Rogers and others note that some catalogs have enjoyed success with this audience, particularly catalogs that sell outdoor adventure gear, market green home goods and advertise yoga/fitness and fair trade products. “Some of the companies that sell these products are very much in line with what LOHAS consumers buy, and also speak to the lifestyle they seek,” Rogers explains. The marketers tell stories about how products are used — “appealing to the aspirational interests of catalog readers,” says Rogers — and they offer tips for creating a beautiful, sustainable home and a more balanced mind, body, spirit and planet.

For the past 19 years, Sounds True has made the company’s four-color catalog a cornerstone of its marketing strategy, says company direct marketing director Andrew Young. Along with products, the catalogs feature exclusive interviews with spiritual teachers. Young says his company will expand its print outreach. “Print affects people emotionally in ways that an online experience doesn’t,” Young explains. “People like to touch and hold something that’s beautiful to look at. They’ll save our catalog and read it again when they’re having a tea break and notice it on the kitchen table.”

Marketers at the Kripalu Center for Yoga & Health, a western Massachusetts non-profit specializing in “experiential education,” are also increasing their outreach. The center plans to invest more than half of its 2009 marketing budget in direct mail, mostly

INSPIRING: Consumers’ desire for more balance and meaning in their lives has helped drive the success of LOHAS publications such as *DharmaCrafts* and *Ode*.



in the form of a seasonal catalog that goes out four times annually to 1.3 million consumers. Tom Rocco, Kripalu’s vice president of marketing and communications, says that the ROI on the catalogs is solid largely due to strong content, rigorous prospecting and a positive message related through personal anecdotes.

Of course, given the economy, Kripalu remains cautiously optimistic for 2009, but optimistic nonetheless. That’s partly because last winter Kripalu saw an increase in interest in its professional yoga teacher training programs and Ayurveda consulting (a traditional system of healing that originated in India). Attendance at its retreats was healthy, too. “We are telling people, ‘Your financial assets may be depleted, but if you invest in yourself you will always get a good return,’” explains Rocco.

Ode, a magazine and Web site “written for intelligent optimists,” is also experiencing growth, boosted by aggressive

Take the “self-improvement” market, a subset of the more than \$200-billion LOHAS industry. The market — which includes self-help books, motivational speaking, personal life coaching, weight loss and stress management — was worth \$11 billion in 2007, the date for which the most recent numbers are available. This marked a 13.6-percent increase over 2005, according to a report from Marketdata Enterprises, a market research publisher that focuses on service businesses.



marketing plays. In 2008, for instance, it mailed to 2.75 million consumers a 16-page glossy magalog that showcased *Ode* content and offered free Zen relaxation and meditation CDs. The mailings, double the number of pieces *Ode* mailed the year before, generated a robust response rate and helped boost *Ode*’s circulation to 150,000, says June Sargent, *Ode*’s vice president consumer marketing and partnerships.

Paths to Marketing Betterment

The sour economy hasn’t significantly curtailed the successes that companies like Kripalu and *Ode* have enjoyed, but marketers at these and other companies still remain wary. And they caution their industry peers to be mindful of a few vital rules when trying to communicate with the audience, irrespective of channel:

Marketdata estimates the market will continue to grow during the recession, but at a more modest 3 percent, with 6-percent average yearly gains from 2009 to 2012.

Another particular growth area is the market for yoga, according to a 2008 *Yoga Journal*/Harris Interactive study. Last year, Americans spent \$5.7 billion on yoga classes and products — including equipment, clothing, vacations and media — an increase of 87 percent compared to a similar report completed in 2004.

1. Be Authentic. “Authenticity” is more than a buzzword in this sphere. “It’s important that people feel that there’s a real human behind the products, and that we are co-journeymen on a spiritual path together,” says Tami Simon. So every Sounds True catalog features Simon’s photo.

The market’s desire for more humanized brands is also why a recent catalog for DharmaCrafts — which sells meditation supplies such as meditation cushions — contains a photo of a smiling, healthy-looking woman cutting fabric alongside copy explaining that the cushions have been hand-crafted by a “small dedicated staff of trained craftspeople” for more than 28 years. “People desire products they perceive as meaningful, a trend that is expected to continue to grow across categories,” says Rogers.

2. Be Inclusive. “As the financial world has come crashing down, relationships and emotional intimacy have resurfaced as a priority,” says Rogers. Those experiences might be a mountain retreat, or simply connecting with a brand and other people who share a passion for it. When Sounds True asked its 100,000 e-mail newsletter subscribers for opinions about its business and products, thousands replied, marvels Young. Not only that, but “customers sent pages of comments with their ideas. They showed the same effort and dedication as anyone working here.”

Sargent, from *Ode*, concurs: “People want to talk to the people who produce the things they use and read and live with,” she says. “We average at least 500 back-and-forth interactive e-mails every month with our readership, whether it’s a ‘love’ letter, a letter to the editor, someone who wants to carry our magazine or someone who wants to work with us in some way.”

3. Be Inspiring. Everyone loves a good story, and LOHAS industry consumers in particular respond to tales of inspiration and transformation.

At the same time these shoppers are “information junkies,” says Rogers. As a result, she says, “Brands that can tell a compelling story about their history, their vision and their mission connect with consumers in a more fundamental and emotional way than brands that don’t.” This is part of the reason Sounds True interviews spiritual leaders for its catalog, so that even when shopping, its audience can glean motivational content.

LOHAS consumers are more likely to look beyond the product’s basic attributes to what the brand represents. They also respond to personal stories: an author’s anecdote, a revelation from the company president or an employee, or a customer’s experience.

4. Be Creative. Economic constraints can drive innovation. *Yoga Journal*, for instance, found a way to save money while maintaining response rates by developing a new “hybrid voucher,” says group circulation director Barbara Besser. Instead of a four-page letter and brochure, the country’s preeminent magazine for yoga practitioners and teachers has begun mailing a voucher-type one-page letter along with two “freemiums” — a yogic breathing chart and an insert with drawings of two sequences of yoga poses. While both of these freemiums include colorful content and description, they cost less to produce than previous direct mail packages, Besser says. **d**

Not only do yoga practitioners make up nearly 7 percent of U.S. adults, or almost 16 million people, but they are a relatively well-heeled set, with 44 percent reporting incomes of \$75,000 or more and 24 percent with more than \$100,000. *Yoga Journal* saw an increase of 5.8 percent in paid circulation and an increase of 9.2 percent in paid subscriptions in the period from July through December 2007, with its rate base rising from 275,000 in 2002 to its current 350,000.



THE MARKET FOR INSPIRATION

A quick look at the growth sweeping the LOHAS market

Enlightenment may be about finding self-worth and happiness beyond money and worldly possessions — but as a market, enlightenment is also quite lucrative.

Back in the Box

The president of Montgomery Ward discusses why, after being mostly absent for a year, his brand has come back to mail.

Interview by Lara Jensen | Photograph by Derek Blagg

A decade of turmoil and turnover at retailer Montgomery Ward had battered one of America's most venerated brands and left it searching anew for its marketing voice. When cataloger Swiss Colony purchased the brand, however, the parent company began helping Montgomery Ward rediscover the right tone to its messaging.

As part of the brand's revamped marketing priorities, the Montgomery Ward catalog has again begun appearing in consumers' mailboxes, almost a year after the brand drastically curtailed mail communications. The return of the publication signals a renewed commitment by the retailer — one of the first ever publishers of general merchandise catalogs — to relearning its audience's needs and to creating sound building blocks for a vigorous multimedia push. The publication's revival also reflects a larger shift within some companies: Brands that once stampeded to the Web space are rethinking their strategies and returning, at least in part, to the mail channel because they feel it gives them advantages that no other medium can duplicate.

Deliver® magazine sat down with Montgomery Ward president John Baumann to find out where the brand went, why it has come back to the mailbox with such force and where it's headed.

DELIVER: The Montgomery Ward catalog is relaunching in March after a yearlong absence from the mail. What impact has this absence had on the brand?

BAUMANN: The catalog hadn't been in the mail for months when Swiss Colony purchased the business last summer, because the previous owner didn't have the resources to publish it. Since there wasn't time to assemble a high-quality catalog for the holiday season, we decided to wait until we could put together something we would feel good about. You always put yourself at a disadvantage when there's a time lapse between catalog mailings. However, we're hopeful the catalog will create some synergies with the e-commerce Web site, which never went away.

Because the Montgomery Ward brand is so well known, customers who may look at a catalog but aren't ready to make a purchase can easily go straight to the Web site when they are ready. Or if they're searching on the Web and see a product line they like that is associated with Montgomery Ward, they will be more likely to shop the brand online because they received a catalog previously.

DELIVER: How is the economy affecting your marketing strategy for the Montgomery Ward brand?

BAUMANN: The economy is convincing us that we need to be conservative in terms of the scale of the catalog and the total circulation, which will be more than 1 million books for the year. However, we're hopeful that the Montgomery Ward brand's reputation as a high-quality and value-based merchandise source will resonate well with consumers who are concerned about the economy right now. That's why we are focusing on finding unique, high-quality products that are still a good value.

DELIVER: Whom will you be targeting via the catalog?

BAUMANN: Because there haven't been strong financial resources behind this brand for 10 or more years, there isn't a lot known about the Montgomery Ward customer. So part of what we want to find out through our initial mailing is who and where these customers are. We're also hoping to find out

I think direct mailers need innovation now more than ever before because we have to find a way to connect with younger consumers — who are very comfortable with the Internet — drive them to the mailbox, and encourage them to take direct mail solicitations more seriously.

TRIUMPHANT COMEBACK: Montgomery Ward president John Baumann says the return of the catalog signals a new effort to target customers familiar with the brand's reputation.



what types of merchandise can be successfully sold under the Montgomery Ward banner. Our initial research shows that there are a lot of people from their mid-30s and up who have very specific recollections of either shopping in a Montgomery Ward store or ordering from a catalog.

Certainly, we'll try to reach past Montgomery Ward customers. We'll also try to find select customers from the family of Swiss Colony catalog files. And we'll look at a number of rented lists.

DELIVER: Outside your company, what's your favorite direct mail campaign?

BAUMANN: My favorite campaign is also one that I've recently responded to. It's really more of a multi-channel campaign from one of the big-name weight loss systems. The TV ads are entertaining with a lot of notable personalities. They are a high-energy attempt at driving home the reality that celebrities, like everyday people, have issues controlling their weight and that this company offers a solution that is credible and manageable. When I received a direct-response coupon from this company in January, I was already primed because of the TV ads, and I decided to give the program a try for the first time.

DELIVER: What are you seeing that's really innovative in direct mail?

BAUMANN: I think direct mailers need innovation now more than ever before because we have to find a way to connect with younger consumers — who are very comfortable with the Internet — drive them to the mailbox, and encourage them to take direct mail solicitations more seriously.

What sticks out for me, even though they aren't particularly new, are direct mail pieces with yellow sticky notes on the outside or inside. It seems that, for whatever reason, they stop you for a moment and get you to quickly take a peek at what the offer is. That's why you still see these types of offers, even though they were first introduced around 20 years ago.

DELIVER: Is there a catalog you look forward to?

BAUMANN: I live in Wisconsin, where we have to get through long winters. As I start to think about the ice melting and the opening of trout and walleye season, there's a certain outdoor-activity catalog that's nice to have in hand. Virtually everything conceivable to support my fishing hobby can be found in this catalog. Certainly, I find the breadth of selection appealing, but the sheer size of the book takes me aback. The variety of items is amazing and sometimes overwhelming. As a direct marketer, I'm impressed that the company can manage so many stock-keeping units. **d**